GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:473
ANSWERED ON:28.02.2008
DISINVESTMENT OF NEPA
Chakraborty Shri Ajay;Singh Shri Ganesh

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government proposes to fully disinvest NEPA Ltd.;

(b) If so, the details and the reasons therefor;

(c) Whether the Government has taken any steps to safeguard the interests of the workers of the unit;

(d) If so, the details of the rehabilitation scheme for the workers; and

(e) If not, the reasons therefor?

Answer

MINISTER OF STATE IN THE DEPARTMENT OF HEAVY INDUSTRY (MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES) (SMT. KANTI SINGH)

(a) & (b): Nepa Ltd. Is a sick PSE under reference to Board for Industrial and Financial Reconstruction since May 1998. The plant and machinery are old and required substantial investment for upgradation. The Government has decided to revive the company through Joint Venture partner by disinvestment of Government of India Equity, preferably to the extent of 74% or 100%. Nepa Limited (Disinvestment of Ownership) Bill 2007 has been introduced in the Lok Sabha for getting Parliamentary approval of disinvestment of Nepa Ltd. The Bill has been referred to Department related Parliamentary Standing Committee on Industry on 17.12.2007.

(c)to (e): The Bill provides that every officer or other employee of the Nepa Ltd., except the Chairman and Directors, serving in its employment immediately before the disinvestment of the Nepa Ltd., shall continue in office or service after such disinvestment, on the same terms and conditions as if the disinvestment of the Nepa Ltd., had not been made and shall continue to do so until the expiry of the period of one year from the date of such disinvestment. Where an officer or other employee of the Nepa Ltd. Opts not to continue in the employment or service of the Nepa Ltd., such officer or other employee shall be deemed to have resigned.